



CIVIL-MILITARY INTEGRATION

of the Industrial Base

Increasing Cooperation Between DoD and Industry

The Department of Defense is committed to expanding industry participation in the defense enterprise in order to improve its ability to procure the weapons systems and supplies needed by Warfighters. Civil-Military Integration (CMI) is the process of merging the defense industrial base and the larger commercial industrial base using common technologies, processes, labor, equipment, material and facilities to meet both defense and commercial needs.

In compliance with Congressional and DoD directives, CMI encompasses the design of system and component specifications to commercial standards, buying commercial items directly, leveraging commercial industry whenever possible and avoiding creation of defense-unique industrial capabilities and products except when absolutely necessary.

CMI Benefits DoD

CMI leverages the competitive pressures of the commercial marketplace to benefit DoD by:

- ✓ Reducing costs
- ✓ Speeding acquisitions
- ✓ Reducing development risk
- ✓ Increasing access to leading-edge commercial technology
- ✓ Providing additional capacity options for surge production

CMI In Action

► Increasing MRAP production to meet critical Warfighting needs

Ongoing military operations in Iraq and Afghanistan dramatically increased demand for Mine Resistant Ambush Protected (MRAP) vehicles. DoD and industry displayed a level of cooperation not seen since World War II, to ramp up production from less than 100 to over 1200 vehicles per month in less than one year. This was only possible because the MRAP vehicles were designed with components primarily from the commercial heavy truck industry and because DoD collaborated with industry to eliminate production bottlenecks for specialized items like armor steel and military specification tires.

► Removing Barriers to CMI

CMI is a DoD-wide effort to “design in” commercial products and remove unnecessary, government unique barriers such as domestic source restrictions (including specialty metals restrictions), Export Control Restrictions, intellectual property, and cost accounting requirements that discourage or prevent DoD access to commercial markets. Such restrictions can lead to the creation of inefficient and uneconomical defense-unique industrial capabilities because Department suppliers must establish parallel production lines, supply chains and inventory control systems at additional cost and without attendant benefits in product performance, in order to be fully compliant.

► Recent steps taken by Congress and DoD to remove barriers to CMI associated with specialty metals include:

- ★ A new exemption for certain commercial off-the-shelf items
- ★ Expanding the exception for electronic components
- ★ A new market basket exception for commercial derivative military articles and fasteners
- ★ An exception for “di minimus” quantities
- ★ Eliminating the potential for DoD representatives to be charged with criminal penalties under the Antideficiency Act if they accept non-compliant material

